

## Message Text

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PAGE 01 BANGKO 00227 070547Z

15

ACTION EA-10

INFO OCT-01 ISO-00 XMB-02 AID-05 EB-07 COME-00 TRSE-00

OPIC-03 L-02 NSC-05 CIAE-00 INR-07 NSAE-00 RSC-01

INT-05 STR-01 OMB-01 /050 W  
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R 070449Z JAN 75

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC 9565

LIMITED OFFICIAL USE BANGKOK 0227

PASS COMMERCE EXIM, OPIC

E.O. 11652: N/A

TAGS: EMIN, EINV, TH

SUBJECT: TEMCO DISPUTE WITH THAI GOVERNMENT SETTLED

REF: BANGKOK 18678

1. TEMCO, 50 PERCENT OWNED BY UNION CARBIDE AND 50 PERCENT BY SHELL, HAVE REACHED AN AGREEMENT WITH THE MINISTRY OF INDUSTRY WHICH BRINGS AN END TO LEGAL ISSUES. THE RTG DROPPED COURT CASE UNDER WHICH IT WAS SUING TO SECURE DELIVERY OF 8 PERCENT OF TEMCO'S SHARES. THIS WAS A FORMALITY SINCE TEMCO HAS AGREED TO TURN OVER THE 8 PERCENT INTEREST IN THE COMPANY ANYWAY. TEMCO ALSO AGREED TO FOREGO ANY LEGAL ACTION CONTESTING THE CANCELLATION OF EMCO MINING COMPANY CONCESSIONS.

2. ON THE FACE OF IT THE SETTLEMENT IS A COMPLETE VICTORY FOR THE GOVERNMENT, BUT CARBIDE OFFICIALS APPEAR SATISFIED THAT THEY HAVE PROTECTED THEIR MAJOR CONCESSION AREA. SINCE THE ORIGINAL TIN CONCESSIONS WERE GAINED IN WHAT THE GOVERNMENT'S ANTI-CORRUPTION COMMITTEE CHARGED WAS A TAINTED TRANSACTION, THE COMPANY IS PERHAPS SATISFIED THAT THE GOVERNMENT HAS IN EFFECT RATIFIED THE TEMCO CONCESSION. COMPANY OFFICIALS ALSO INDICATE THAT GOVERNOR TAWAT OF PHANG NGA

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PAGE 02 BANGKO 00227 070547Z

WHO HAS BEEN A THORN IN THE COMPANY'S SIDE MAY BE TRANS-

FERRED. WE DO NOT KNOW WHETHER THIS IS WISHFUL THINKING  
ON THE COMPANY'S PART OR WHETHER IT IS PART OF DEAL.  
TEMCO HOPES HIS DEPARTURE WILL RESULT IN BETTTER CONTROL  
OF POACHERS AND LESS SHRILL CRITICISM THEIR OPERATION FROM  
ANY SUCCESSOR.

3. COMMENT: CONSIDERING CIRCUMSTANCES THIS IS PROBABLY  
THE BEST OUTCOME THAT COULD HAVE BEEN EXPECTED FOR THE  
CONCESSIONAIRES. NO WORK HAD BEEN DONE ON EMCO. THE  
TEMCO CONCESSION IS RICH AND ACCESSIBLE. HOPEFULLY THE  
AIR HAS BEEN CLEARED AND THE COMPANIES CAN NOW OPERATE  
WITHOUT FURTHER LEGAL DIFFICULTIES.  
KINTNER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DISPUTE SETTLEMENT, MINING CONCESSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 07 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BANGKO00227  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Film Number:** D750005-0970  
**From:** BANGKOK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750174/aaaacmzc.tel  
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**Type:** TE  
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